# Washington State House of Representatives Office of Program Research

BILL ANALYSIS

## State Government Operations & Accountability Committee

### **ESB 6433**

**Brief Description:** Establishing the emergency management, preparedness, and assistance account.

**Sponsors:** Senators Kastama, Jacobsen, Poulsen, Pridemore, Rockefeller, Shin, Haugen, Rasmussen, Keiser, Regala, Thibaudeau, Franklin, McAuliffe and Kohl-Welles.

#### **Brief Summary of Engrossed Bill**

- Creates the Emergency Management, Preparedness, and Assistance account (account) in
  the state treasury. Requires that, of the funds allocated to the account, 20 percent be used
  for administrative and emergency management plan development expenses and 80
  percent be used for grant funding to develop and coordinate emergency management
  plans, and for training and project implementation purposes.
- Beginning in 2008, requires the Military Department to conduct a biennial strategic
  assessment of emergency management in conjunction with the Emergency Management
  Council.
- Directs the Joint Legislative Audit and Review Committee to study and review the performance of programs implemented under the act, and to report to the Legislature by December 2008.
- Requires the Legislature to establish an advisory committee to study issues related to the collection of an annual, per policy surcharge on homeowner's and business owner's property insurance policies to fund emergency management, and the committee's findings and recommendations must be reported to the appropriate committees of the Legislature by November 30, 2006.

Hearing Date: 2/22/06

**Staff:** Kathryn Leathers (786-7114).

#### **Background:**

The Emergency Management Division of the state Military Department (Department) administers emergency management and disaster relief programs. The director of the Military Department

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(director) is appointed by the Governor and is charged with developing and maintaining a comprehensive emergency management plan for the state. Local jurisdictions are directed to establish comprehensive local emergency management plans, and submit their plans to the director for recommendations. Local jurisdictions may also establish and operate joint local emergency management organizations.

The Emergency Management Council (Council), whose members include representatives of city and county governments, law enforcement, fire chiefs, emergency management directors, and medical professions, advises the Governor and the director on matters pertaining to state and local emergency management. The Council studied local and tribal emergency management organizations and issued a report in September 2004. The report made a number of recommendations, including the establishment of a stable state funding source to support emergency planning.

#### **Summary of Bill:**

The Emergency Management, Preparedness, and Assistance account (account) is created in the custody of the state treasury. Monies in the account may be spent only after an appropriation. Any funds appropriated to this account must be allocated as follows:

Twenty percent of the funds in the account may be used by the Department for administrative expenses, to fund biennial assessments of emergency management, and to develop and coordinate emergency management plans.

Eighty percent of the funds in the account must be used for grants to regional agencies, local and tribal governments, regional incident management teams, and private organizations. Grant funding is to be used to develop and coordinate emergency management plans and train elected and appointed officials; administer periodic joint emergency management training exercises; and implement projects that strengthen emergency response, mitigation, preparation, and coordination. Projects funded must include projects that will promote neighborhood level public education, enhance coordination of relief efforts, and improve training and operations capabilities of agencies. Grant funding may also be used as "seed money" to establish a dedicated, full-time emergency management director in every county that does not currently have one.

The distribution formula may be adjusted when necessary to meet any matching requirements imposed as a condition of receiving federal funds. Local governments may not use funds received to supplant existing funding.

The Department is given rule-making authority to implement the legislation. Rules must specify match requirements and requirements that local agencies have a comprehensive emergency management plan or be a member of a joint organization for emergency management and have a local director or designated coordinator who works at least 15 hours per week in that capacity. Rules must also establish preferential funding for projects and exercises addressing needs identified in the biennial assessment and establish a formula that establishes a base grant allocation and weighted factors for funds to be allocated over the base grant amount.

Beginning in 2008, the Department is directed to conduct a biennial strategic assessment of emergency management in conjunction with the Emergency Management Council. The assessment must evaluate needs, abilities, and effectiveness of emergency management of local,

state, and tribal emergency management organizations. The assessment must also make findings and recommendations.

The Joint Legislative Audit and Review Committee (JLARC) must study and review the performance of programs implemented under the legislation and report to the Legislature by December 2008. Funding from the account may be used to conduct the study.

The Legislature must establish an advisory committee to study issues related to the collection of an annual, per policy surcharge on homeowner's and business owner's property insurance policies to fund emergency management. The committee will also study if and how retaliatory tax provisions may be implicated, costs associated with collecting the surcharge, and any other issues deemed relevant by the committee. The committee must report its findings and recommendations to the appropriate committees of the Legislature by November 30, 2006.

#### Comparison of Engrossed Substitute Bill to Original Bill:

The surcharge funding mechanism and related provisions are removed. The provision requiring the Department to submit a quarterly report to the Office of Financial Management and the legislative fiscal committees detailing information on the account is removed.

The provision requiring the appointment of at least nine regional liaisons to provide local programs with emergency management assistance and expertise and to identify political subdivisions, public agencies, and special purpose districts that are required to develop and implement a comprehensive emergency management or comprehensive safety plan is removed.

The Legislature is required to establish an advisory committee to study issues related to the collection of an annual, per policy surcharge on homeowner's and business owner's property insurance policies to fund emergency management. The committee will also study if and how retaliatory tax provisions may be implicated, costs associated with collecting the surcharge, and any other issues deemed relevant by the committee. The committee must report its findings and recommendations to the appropriate committees of the Legislature by November 30, 2006.

**Appropriation:** None.

**Fiscal Note:** Requested on February 20, 2006.

**Effective Date:** The bill takes effect 90 days after adjournment of session in which bill is passed.